

Amy G. Rabinowitz, Esq.  
Massachusetts Electric Company  
Nantucket Electric Company  
25 Research Drive  
Westborough, MA 01582-0099

BY FAX AND U.S. MAIL

RE: Massachusetts Electric Company and Nantucket Electric Company, D.T.E. 03-2

May 6, 2003

Dear Ms. Rabinowitz:

Enclosed please find the Department's first set of information requests on the above-captioned matter. Responses should be filed on or before May 20, 2003. If you have any questions, please feel free to contact me at (617) 305-3620.

Sincerely,

William H. Stevens, Jr.  
Hearing Officer

cc: Mary Cottrell  
Staff as assigned  
Joseph Rogers, Assistant Attorney General

Encl.

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

	)	
MASSACHUSETTS ELECTRIC COMPANY	)	
AND	)	D.T.E. 03-2
NANTUCKET ELECTRIC COMPANY	)	
	)	

**FIRST SET OF INFORMATION REQUESTS OF  
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO  
MASSACHUSETTS ELECTRIC COMPANY AND  
NANTUCKET ELECTRIC COMPANY**

Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") hereby submits to Massachusetts Electric Company and Nantucket Electric Company the following information requests with respect to the above-captioned matter.

**Instructions**

The following instructions apply to this set of information requests and all subsequent information requests issued by the Department to Massachusetts Electric Company in this proceeding.

1. "MECo" or "Company" means Massachusetts Electric Company and Nantucket Electric Company, its officers, directors, employees, consultants, and attorneys.
2. "Company Filing" or "Filing" means all the documents the Companies filed in this proceeding.
3. "2003 Plan" means the 2003 Energy Efficiency Plan the Company filed with the Department on January 14, 2003 in the above-captioned proceeding.
4. "Guidelines" means Guidelines for the Methods and Procedures for the Evaluation and Approval of Energy Efficiency Programs, D.T.E. 98-100, Att. 1 (2000).
5. "DOER" means Commonwealth of Massachusetts Division of Energy Resources.
6. Each request should be answered in writing on a separate page with a recitation of the request, and with a reference to the request number, the docket number of the case, and the name of the person responsible for the answer. All discovery documents filed with the Department and all documents offered as exhibits shall be accurately punched to fit a standard three-hole binder. All documents shall be accompanied by a cover letter describing the filing and noting the distribution of copies.

## First Set of Department Information Requests

7. Please do not wait for all answers to be completed before supplying answers, but instead please provide the answers as they are completed.
8. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
9. The phrase “provide complete and detailed documentation” means provide all data, assumptions, and calculations on which the response relies; provide the source of and basis for all data and assumptions employed; include all studies, reports, and planning documents from which data, estimates, or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates; and provide and explain all supporting workpapers.
10. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources, and other data compilations from which information can be obtained, and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
11. If the Company finds that any of these requests is ambiguous, please notify the hearing officer so that the requests can be clarified prior to the preparation of a written response.
12. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department. Please also submit the responses directly to: (1) William Stevens, Legal Division; (2) Gene Fry, Electric Power Division; and (3) Robert Harrold, Electric Power Division.

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

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**FIRST SET OF INFORMATION REQUESTS OF  
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO  
MASSACHUSETTS ELECTRIC COMPANY AND  
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Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") hereby submits to Massachusetts Electric Company and Nantucket Electric Company the following information requests with respect to the above captioned matter.

- DTE-1-1      Please refer to the 2003 Plan, Table 2, at 1-3 (Detailed Budget).
- a.      To what does each line between lines 8a and 8b refer?
  - b.      To what does each line between lines 22 and 23 refer?
  - c.      To what do lines 36i and 36j refer?
- DTE-1-2      Refer to the third line below line 8a in Table 2, Detailed Budget. Please explain why the \$177,300 budget for "Evaluation and Market Research" is such a high proportion of the \$940,200 combined program costs for: (a) "Program Implementation;" (b) "Program Marketing;" and (c) "Customer Incentives."
- DTE-1-3      Please refer to the Plan at 8, Table 3 ("Summary of Outsourced Services").
- a.      Explain why the Company does not competitively procure the Residential Low Income programs, shown on line 5.
  - b.      Explain why the Company outsources only 51 percent of program implementation for Commercial & Industrial programs. Explain why the Company outsources 87 percent of its Residential programs.
  - c.      Describe the Program Planning & Administration activities that the Company outsources, and compare them to those that the Company does not outsource.
  - d.      Describe the Evaluation & Market Research activities that the Company does not outsource.

- DTE-1-4 Refer to the 2003 Plan at 12. Please provide “Energy Consumption Analysis of the Energy Star Homes Program,” dated June 15, 2002.
- DTE-1-5 Refer to the 2003 Plan at 34-35 and 39. Please describe in detail the educational aspect of the Appliance Management program.
- DTE-1-6 Please refer to the 2003 Plan at 47. Please explain whether chillers, refrigeration systems, and industrial process improvements are also available through the Energy Initiative Program.
- DTE-1-7 Refer to the 2003 Plan at 87. Please describe what is included in “Other General Evaluations” for Residential and C&I customers.
- DTE-1-8 Refer to the 2003 Plan at 88.
- a. Please provide the average yields of the three-month United States Treasury bills issued during calendar years 2000, 2001, and 2002, respectively. See, Guidelines at § 5.3.
  - b. Please provide the Company’s actual incentive claimed for each year beginning with 1998 (i) in dollars; (ii) as a percentage of the program budget (on a comparable basis with the 2003 incentive proposal); and (iii) as a percentage of the design performance level incentive target.
  - c. Please provide what the Company’s incentive would have been for each year beginning with 1998 if the achievements were as claimed, but the incentive structure the Company has proposed for 2003 were in place, expressed in (i) dollars and (ii) a percentage of the program budget.
- DTE-1-9 Please refer to the 2003 Plan, Appendix A, at 1 (Benefit/Cost (“B/C”) Analysis).
- a. The projected B/C ratios of the Energy Wise, ECS, Energy Star Appliances, and the Low Income New Construction programs may not be sufficiently robust to ensure actual (evaluated) B/C ratios greater than 1.00. Please review these four programs to determine whether their B/C ratios may be improved. Please explain in detail the results of that review.

- b. For the ECS, Energy Star Appliances, and the Low Income New Construction programs, which are also implemented by or implemented jointly with other Massachusetts utilities, please compare MECo's projected B/C ratios for 2003 to other companies' projected B/C ratios. Please explain the principal reasons for the differences.
- c. For each jointly implemented statewide program offered by MECo, please provide the projected statewide B/C ratio for 2003.
- d. For the most recent four years for which data is available, what have been the ratios of B/C ratios in a MECo Plan to the corresponding evaluated B/C ratios for Energy Star Appliances, Energy Wise, ECS, Low Income New Construction, and/or their predecessors?
- e. Is the Low Income New Construction program planned and implemented separately from the regular residential New Construction program?

- DTE-1-10 Refer to the 2003 Plan, Appendix A, at 3 ("Non-electric Benefits" columns). Please provide details showing how many dollars the Company attributes to which non-electric benefits (e.g., low income, water, lower O&M) for each program where the Company claims such benefits.
- DTE-1-11 Please provide any study or studies specifically underlying the projections shown in the 2003 Plan, Appendix C ("Post-Program Market Effects").
- DTE-1-12 Refer to the 2003 Plan Appendix C at 6. Please discuss the postulated events associated with the "with program" effect falling to zero for clothes washers in 2007, refrigerators in 2008, dishwashers in 2007, and room A/C in 2010.